

Defense Contract Management Command

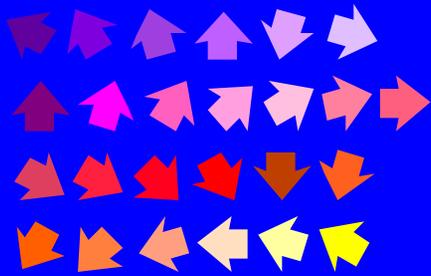


Single Process Initiative & Acquisition Pollution Prevention Initiative

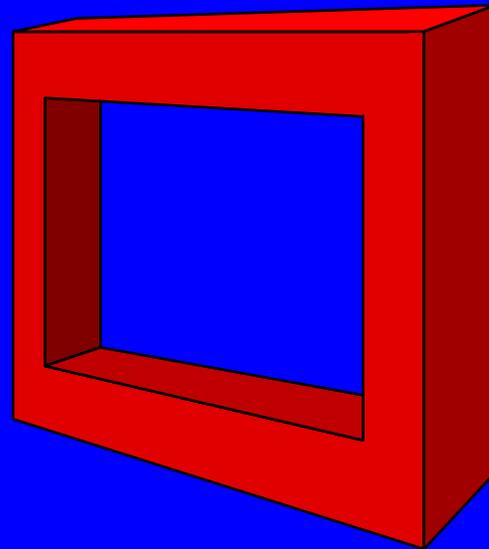
<http://www.dcmc.dcrb.dla.mil>
sydney_pope@hq.dla.mil



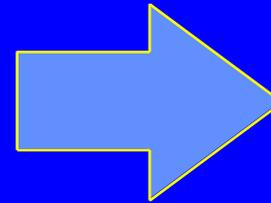
Single Process Initiative



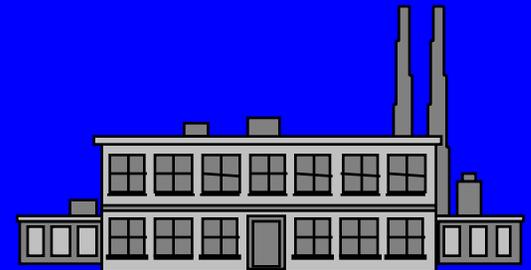
Mil Specs &
Stds



Block Changes



Single
Process



More Efficient &
Productive
Contractor



DoD Single Process Initiative

- › **Use Commercial Quality Standards (ISO 9000), USD(A&T) Feb 94**
- › **Use Performance and Commercial Specs, SECDEF Jun 94**
- › **Implement Single Quality Process Pilot Programs, USD(A&T) Aug 95**
- › **Do Block Changes on Existing Contracts, SECDEF Dec 95**
- › **Use Expedited, Streamlined Approach for Block Changes, USD(A&T) Dec 95**

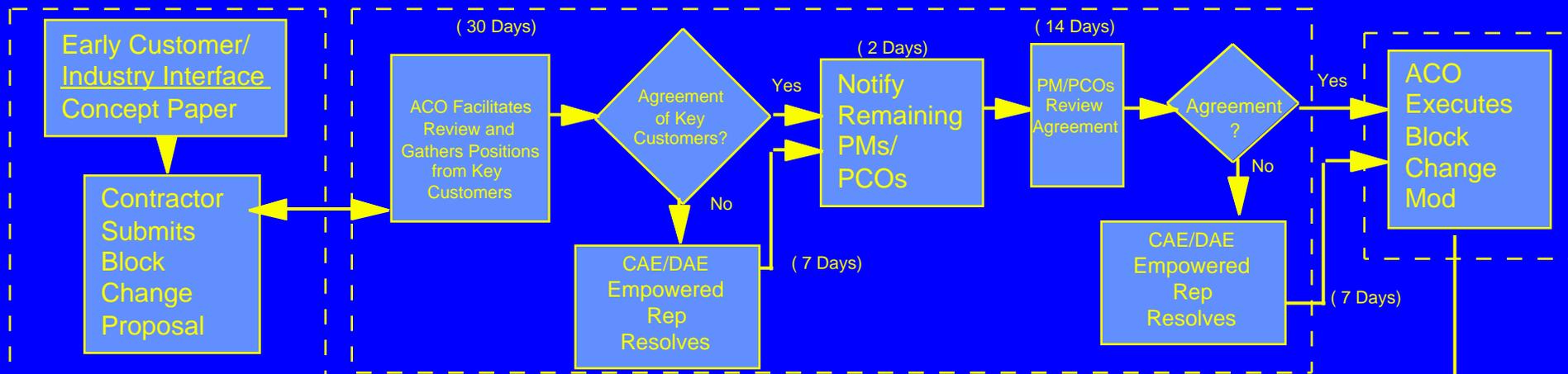


Block Change Process

Proposal Development
30 Days

Approval
60 Days

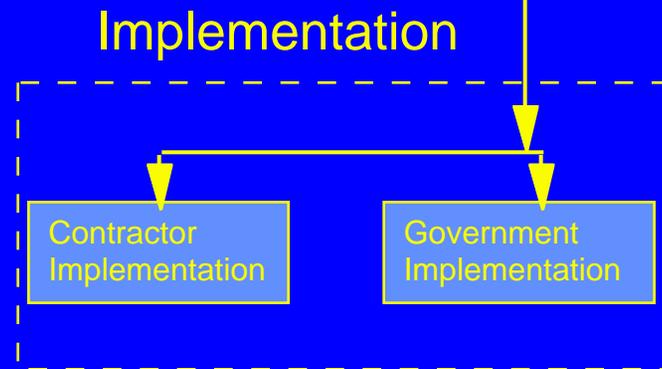
Contract
Modification
30 Days



Block Change Process Cycle: 120 days

(proposal receipt to issuance of block change)

Process Builds on Existing Organization Structures





Block Change Benefits

- › **More Efficient, Consistent, & Stable Processes**
- › **Greater Ease of Contract Administration for Both the Contractor and Government**
- › **Reduced Costs for the Taxpayer**

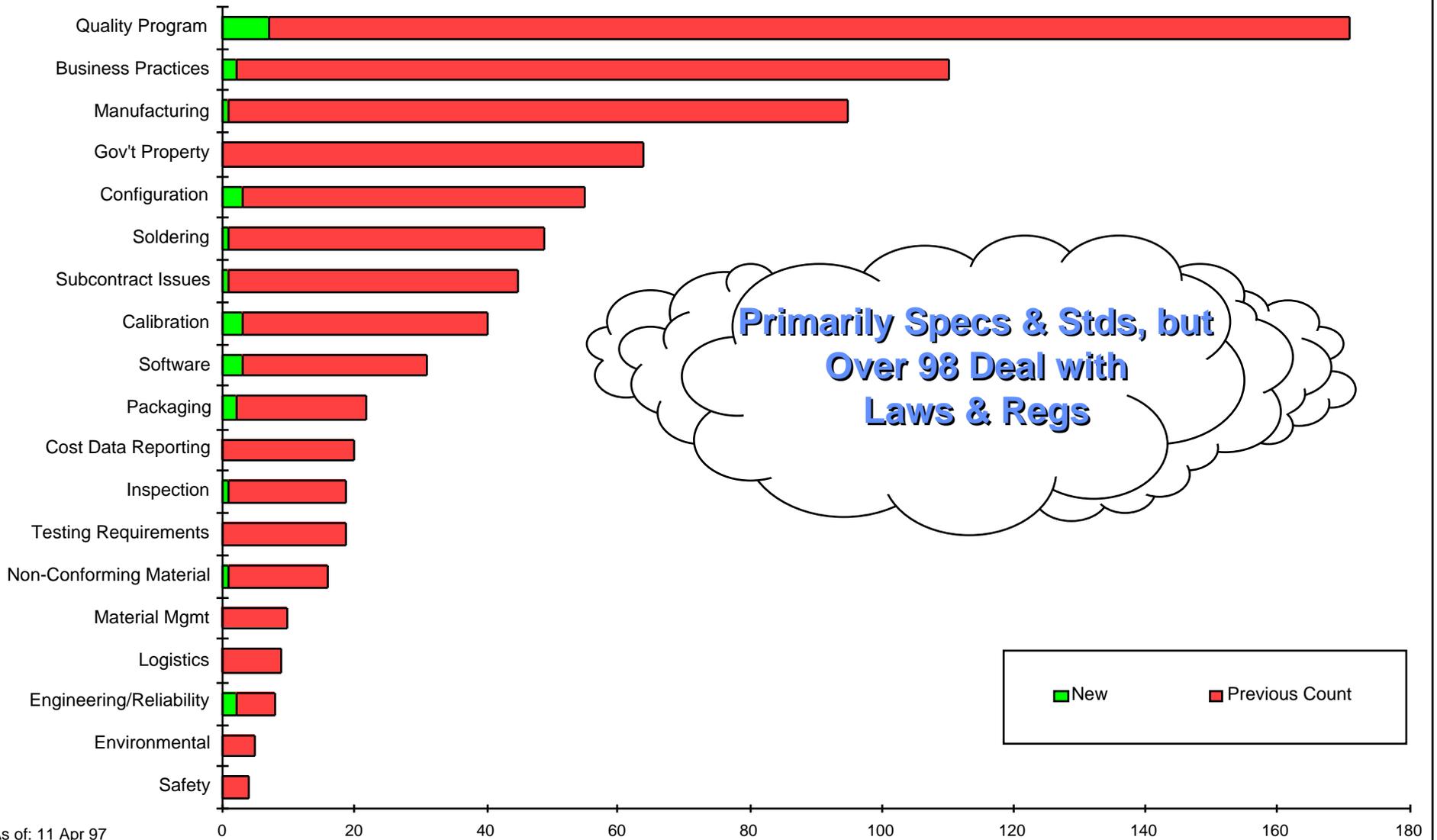


Program Status

	<u>Nov 96</u>	<u>May 97</u>	<u>% +/-</u>
Contractors	122	171	40%
Processes Sub'd	564	820	45%
Processes Mod'd	204	414	103%
Avg Cycle Time	112	131	17%
Cost Sav/Avoid	\$25m	\$70m	180%



Most Frequently Proposed





Strategic Focus

- › **Increasing Contractor Participation**
- › **Increasing Supplier Involvement**
- › **Targeting High Impact Process**
- › **Allowing SPI on New Procurements**



Contractor Participation

-)} **Need to Increase Participation - *Go For Bucks***
-)} **Target is Top Defense Contractors**
-)} **31 Engaged (118 Facilities) Representing 66% of Top Defense Contractor Sales \$\$\$**
-)} **DCMC Districts Executing Marketing Plans**

Need to Push *Harder* - Raise the Bar



SPI and Subcontractors

USD(A&T) Policy Memo Signed 16 May 97

- › Primes May Substitute Subs Accepted SPI Processes for Imposed Prime Contract Processes
- › Management Councils to Facilitate
- › Additional Concept Papers Ordinarily Not Needed
- › Primes Still Responsible for Meeting Requirements

**A Crucial Step Towards
Involving Subtier
Contractors in SPI**



Targeting High Impact Processes

- › Identify High Impact Processes within Industry Sectors
- › Channel Resources Toward High Cost/Benefit Areas
- › IPT Formed March 1997
 - › Prototype Sector - Electronics/Communications
 - › Narrowed to Navigation/Radar Sub-Sector
 - › Collecting Data, Defining Sub-Sector
 - › Industry Will Validate Data



SPI and New Contracts

PDUSD(A&T) Policy Memo Signed 30 Apr 97

- › **Accept Previously Accepted SPI Processes**
 - › **Suitable Substitutes for Solicitation Specs & Stds**
 - › **Exceptions to be Granted by Head of Contracting Activity/Program Executive Officer**
- › **Source Selection Officials to Ensure Compliance**
- › **Dir Def Procurement to Promulgate DFARS Provision**



Relationships

Acquisition Reform

...key to DoD's future

Block Changes

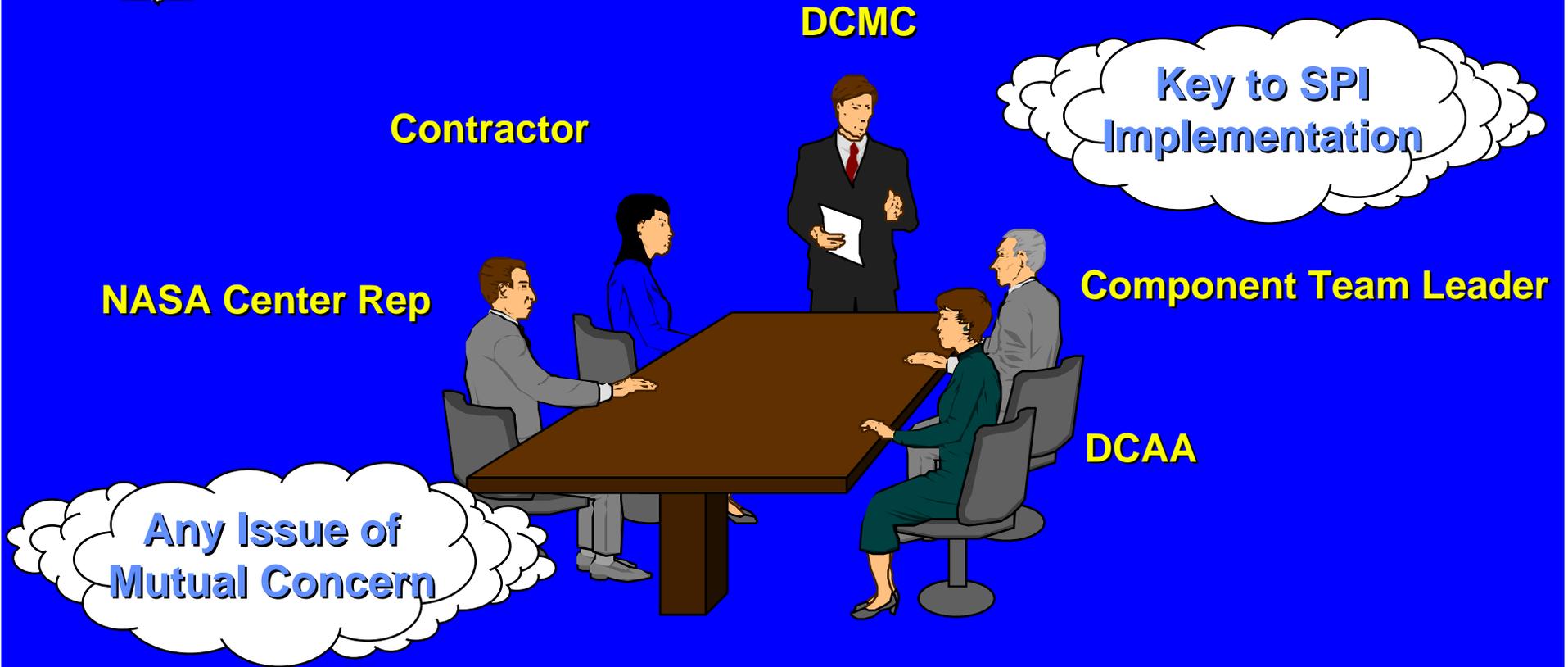
...key to Acquisition Reform

Mngt Councils

...key to Block Changes



Management Council



**Effective Communication Critical to Success!
Management Council Makes This Possible**



Management Council

- › **Joint Buying Activity, Contractor, DCMC & DCAA**
 - › **Identify Processes & Products at Risk**
 - › **Sponsor Process Improvement Teams**
 - › **Integrate Government Audits & Reviews**
 - › **Address Pollution Prevention Issues**
 - › **Evaluate Concept Papers**
 - › **Elevate Regulatory & Legal Issues**





Acq Pollution Prevention Initiative

PDUSD(A&T) Policy Memo Signed 15 May 97

- › Commissions AP2I as New DCMC Lead Initiative
- › Links SPI with JLC JG-APP Partnership w/Industry
 - › Identify & Evaluate Alternate Processes
 - › Eliminate Hazardous Weapons Acq Materials
 - › Use SPI to Proposed Substitutes



Background

- › No Department of Defense (DoD) Single Face to Industry on HAZMAT Reductions
 - › Multiple customers with multiple approaches
 - › Thousands of contracts
 - › Pollution Prevention--Unaffordable costs when addressed separately

- › Need Flexible Criteria for Pollution Prevention
 - › 50% reduction in releases (Executive Order 12856)
 - › Joint Service/Industry partnership for changes
 - › Lower alternative development and implementation costs

***Avoid Duplication of Effort in
Reduction/Elimination of HAZMATs***



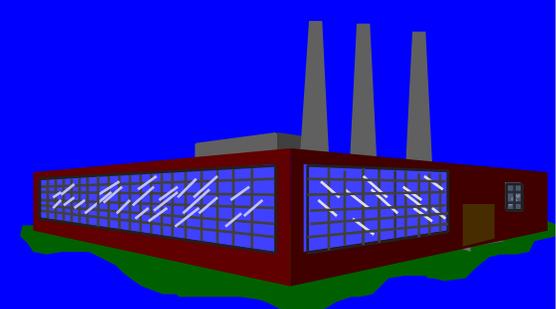
Services Sustainment Benefits/Considerations

JPPAB/MDA Study = \$31.3M Future Year
Savings for Affected
Depots over 20 Years

Each Dollar of HAZMAT
Designed in the
System Generates
\$80 in Life Cycle Cost



- Testing
- Production
- Transportation
- Storage
- Operation
- Maintenance**
- Disposal



F-15, C-17, F-18
T-45, AV-8B, and
Harpoon



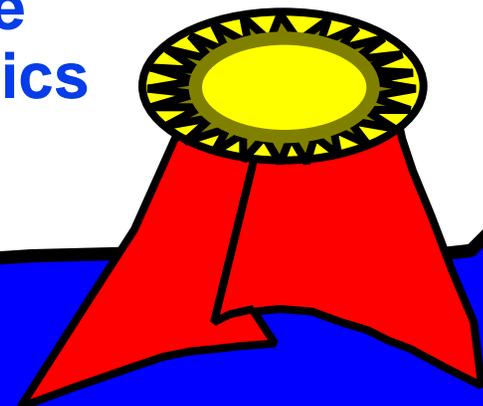
Joint Group on Acquisition Pollution Prevention (JG-APP)

CHARTER

Objective: Reduce/eliminate hazardous materials by fostering joint service cooperation

Focus: Contractor design, manufacturing, and remanufacturing locations

SIGNED: Senior Defense
Acquisition and Logistics
Commanders
Date: 15 Sep 94





Non-Chromate Primer Qualification

Individual Program
Cost

JG-APP
Partnership Cost

F-15	1.25M
C-17	1.25M
F-18	1.25M
T-45	1.25M
AV-8B	1.25M
Harpoon	1.25M



\$6.25M
COST AVOIDANCE



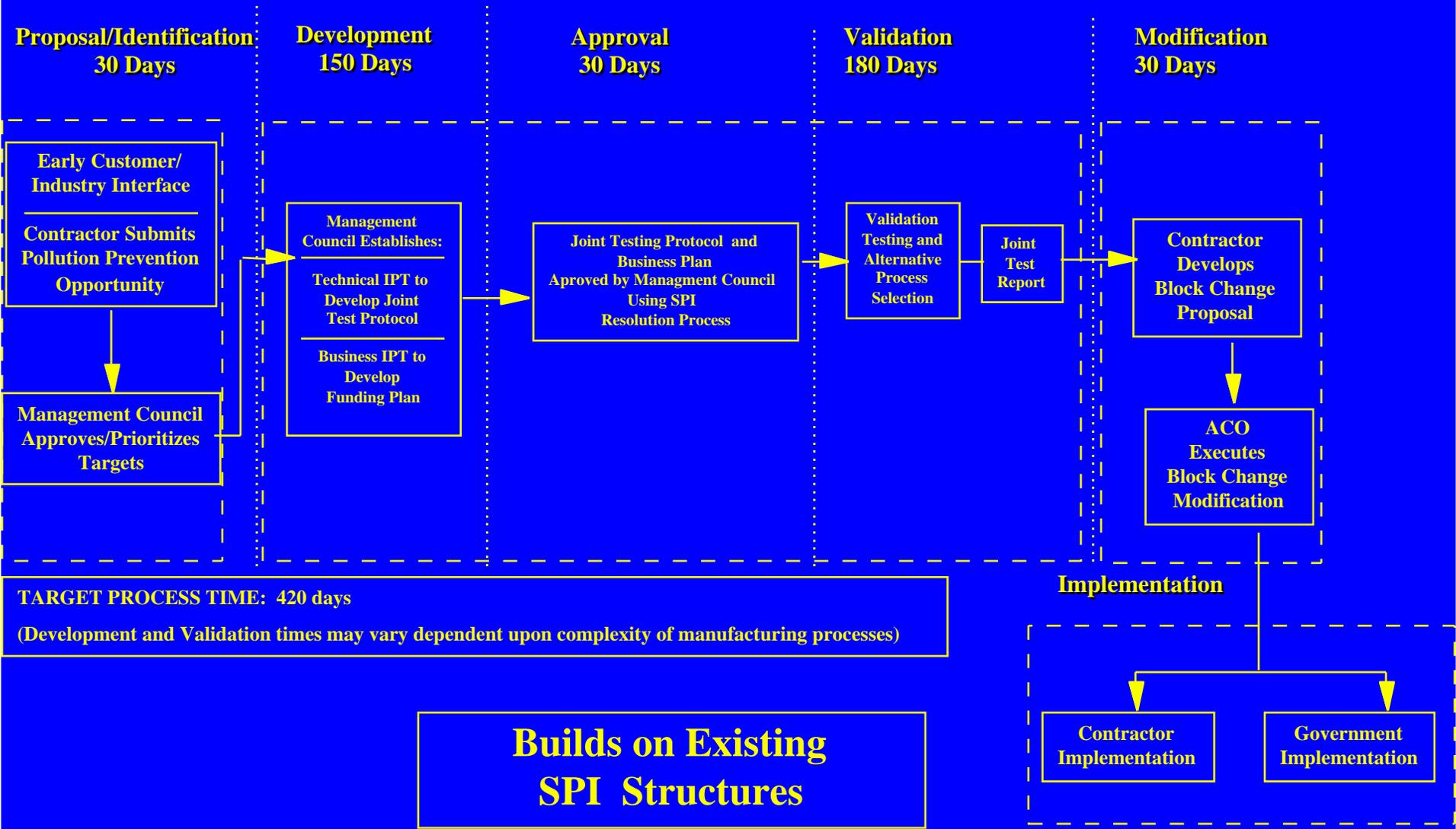
Identification & Technical Phase

<u>Site</u>	<u>Programs</u>	<u>Targets</u>	<u>Applications</u>
Hughes Missile Sys	8		Chrome Conversion Coating Paint Adhesion
Pratt & Whitney	6	Chrome	Conversion Coatings Galvanic Protection
Lockheed Martin	12	Chrome Toluene Methyl Ethyl Ketone	Chromated Primer Volatile Organic Chemical Paint Ink Stenciling
Boeing	TBD	Chrome Cadmium	Chromium Anodize Cadmium Plating
General Electric	8	Lead	Dry Film Lubricant

Leverage
common
opportunities



Joint Acquisition Pollution Prevention Process Overview





Roles and Responsibilities

Present **FOCUS**



- › Finish Seven Pilot Sites
- › Add 10+ Transition Sites
- › Joint Initiative Methodology
 - › Continue Improvement - Meet our Customers Needs
 - › Enhance Environmental Technology Migration
- › Continue JG-APP Initiative Marketing
 - › Keep Weapons System Managers Aware
 - › Facilitate Expansion
 - › International Opportunities



Conclusion

Use SPI to Implement Change:

- › Consolidate Contractual Requirements
- › Build Confidence in Contractor Defined Processes
- › Position to Meet New Contracting Methods
- › Influence the Acquisition Process

**We've Been Given an Opportunity,
We Must Now Use It!**